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**Bar and Tavern Sales Dip Following Smoking Ban; Restaurant Sales Up**  
**Three Months of Data Insufficient To Draw Conclusions**

**OLYMPIA, Wash., Aug. 17, 2006** — Sales by bars and taverns dipped during the first three months following the Initiative 901 smoking ban, but restaurant sales remained strong.

The gross business income reported by bars and taverns declined 3.4 percent to \$122 million during the first quarter of 2006. That compares to a 4.3 percent increase in sales during the same period in 2005, and losses of 0.8 percent in 2004 and 2 percent in 2003.

Sales at sit-down restaurants, many of which already were non-smoking establishments, increased by 8.1 percent to \$1 billion during the first quarter of 2006 compared to 8 percent growth during the first quarter of 2005. Sales were up 9.2 percent and 6.5 percent during the first quarters of 2004 and 2003, respectively.

Department of Revenue researchers cautioned that it was too early to draw conclusions about the economic impact of the smoking ban, and data for additional quarters needs to be gathered to assess the longer-term trend. They pointed out that businesses affected by smoking bans in other states have tended to adapt and recover. The volatility of the bar and tavern industry, which saw significant ups and downs prior to the ban, is a complicating factor in assessing what impact, if any, the smoking ban has had.

Initiative 901 prohibits smoking within 25 feet of doors or windows of all public places. It took effect Dec. 8, 2005.

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